IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF DELAWARE

DOMINION CITRUS, LTD., : CIVIL ACTION

Plaintiff, :

v. : NO. 07-cv-672-JJF

:

M/V ATLANTIC HOPE in rem, :

Defendant. :

STATEMENT OF RIGHT OR INTEREST PURSUANT TO SUPPLEMENTAL ADMIRALTY RULE C(6)

Pursuant to Rule C(6) of the Supplemental Rules for Certain Admiralty and Maritime Claims, Artemis Line S.A. hereby appears and makes claim as owner of the M/V ATLANTIC HOPE (hereafter referred to as "the vessel") for the sole purpose of defending claims asserted in this action by plaintiff Dominion Citrus, Ltd. and against the vessel *in rem*, said claim of owner and *in rem* appearance herein being expressly limited and subject to all terms, conditions and limitations set forth in a certain Letter of Undertaking dated November 1, 2006, and issued to the plaintiff pursuant to demands for security and in lieu of arrest of the vessel by plaintiff. (A true and correct copy of the Letter of Undertaking dated November 1, 2006, is attached hereto as Exhibit "A").

Claimant states that it was at the time of the filing of the Complaint herein the true and *bona* fide sole owner of the vessel, and that no other person was an owner thereof.

Claimant prays to oppose and defend the *in rem* claims asserted by the plaintiff herein, subject to the foregoing conditions and limitations, and demands return of the aforesaid security upon final judgment.

Respectfully submitted,

PALMER BIEZUP & HENDERSON LLP

Date: February 20, 2008

By: /s/ Michael B. McCauley
Michael B. McCauley (ID 2416)
1223 Foulk Road
Wilmington, DE 19803
(302) 594-0895
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Attorneys for M/V ATLANTIC HOPE

IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF DELAWARE

DOMINION CITRUS, LTD.,

CIVIL ACTION

Filed 02/20/2008

Plaintiff,

NO. 07-cv-672-JJF

M/V ATLANTIC HOPE in rem,

Defendant.

VERIFICATION IN SUPPORT OF STATEMENT OF RIGHT OR INTEREST PURSUANT TO SUPPLEMENTAL ADMIRALTY RULE C(6)

Richard Q. Whelan, Esq., being duly sworn, deposes and says:

- 1. I am a partner in the law firm of Palmer Biezup & Henderson LLP, counsel for Artemis Line S.A. as registered owner of the M/V ATLANTIC HOPE.
 - 2. I am authorized to make this affidavit on behalf of Artemis Line S.A.
- I have read the attached Statement of Right or Interest and know the contents thereof, 3. and the same are true and correct based upon my investigation and the information and documents provided to me by Artemis Line S.A.

Richard O. Whelan

Sworn to and Subscribed before me this 20th day of February, 2008.

ly Commission Expires Nov 3, 2010

CERTIFICATE OF SERVICE

The undersigned hereby certifies that on this 20th day of February 2008, the foregoing STATEMENT OF RIGHT OR INTEREST was filed via CM/ECF and a true and correct copy of same was served on Plaintiff's counsel by first class mail, postage prepaid, as follows:

Lee C. Goldstein, Esq. 615 West 18th Street P.O. Box 1957 Wilmington, DE 19899

Stephen J. Galati, Esq. Mattioni, Ltd 399 Market Street, Second Floor Philadelphia, Pa. 19106

Respectfully submitted,

PALMER BIEZUP & HENDERSON LLP

Date: February 20, 2008

By: <u>/s/ Michael B. McCauley</u>

Michael B. McCauley (ID 2416) 1223 Foulk Road Wilmington, DE 19803 (302) 594-0895 (302) 478-7625 (fax)

mccauley@pbh.com

Attorneys for M/V ATLANTIC HOPE

EXHIBIT A

PALMER BIEZUP & HENDERSON LLP

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November 1, 2006

NEW YORK 140 BROADWAY, 46TH FLOOR PMB 46030 NEW YORK, NEW YORK 10005 212 406 1855 FAX: 212 858 7651

DELAWARE 1223 FOULK ROAD WILMINGTON, DELAWARE 19803 302 594 0895 FAX: 302 478 7625

LETTER OF UNDERTAKING

Dominion Citrus Ltd. c/o Mattioni, Ltd 339 Market Street -Second Floor Philadelphia, Pa. 19106 - 2138

Re: M/V

M/V ATLANTIC HOPE

Discharging at Wilmington, Delaware

October 31- November 1, 2006

Alleged Damage to Palletized Clementines

B/Ls: SDGRAGAWI 702001 through

SDGRAGAWI 702007 Qur File No. 4578-238

Dear Sirs:

We understand that you allege damage to certain pallets of clementines loaded aboard the M/V ATLANTIC HOPE at Agadir, Morocco, on or about October 20, 2006, under the referenced bills of lading, and discharged from the vessel at the port of Wilmington, Delaware. We further understand that you allege that you are the party entitled to assert claims and recover damages in connection therewith.

In consideration of your refraining from arresting, attaching, withholding clearance or otherwise detaining the M/V ATLANTIC HOPE or any other vessels or assets of her owners, operators or managers at Wilmington, Delaware or in any jurisdiction in connection with claims arising in any manner from the matter described above, the undersigned Association hereby agrees:

PALMER BIEZUP & HENDERSONLLP

Re: M/V ATLANTIC HOPE November 1, 2006

waiver of any such defenses.

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1. To file or cause to be filed, upon demand, a Claim of Owner and appearance on behalf of the M/V ATLANTIC HOPE, in rem, in a suit commenced by you in the United States District Court for the District of Delaware, vessel lost or not lost, whether present in the jurisdiction or not, said Claim of Owner and in rem appearance to be consistent with and without prejudice to all defenses available to the vessel and her owners, operators and managers and shall not constitute a

- 2. In the event that a final judgment, after all appeals, if any, be entered in your favor and against the M/V ATLANTIC HOPE, in rem, in the lawsuit described in paragraph 1 above, then the undersigned Association agrees to pay and satisfy the said final judgment up to but not exceeding the sum of Three-Hundred Thousand United States Dollars (\$300,000.00), plus interest and costs as may be awarded by the Court, of the said final judgment or any lesser amount decreed or settled between the parties without a judgment being rendered.
- 3. Upon demand, to file a bond with approved corporate surety in an amount to be agreed upon or fixed by the Court but not to exceed Three-Hundred Thousand Dollars (\$300,000.00), plus interest and costs, to secure your claim against the M/V ATLANTIC HOPE, in rem, in the aforesaid lawsuit described in paragraph 1 above.
- 4. In the event the bond referred to in paragraph 3 above is filed, the undersigned Association shall have no further obligation under paragraph 2 above.

This letter is written entirely without prejudice to any and all rights, claims and defenses which the M/V ATLANTIC HOPE or her owners, charterers, operators, managers and/or those responsible for the operation, management and utilization of the vessel may have under any applicable statutes or laws including, but not limited to, the right to assert claims, counterclaims or third-party claims against you or other persons, any right of exoneration from or limitation of liability, or any right to assert that any claim is subject to arbitration or forum selection clause, none of which rights, claims or defenses is to be regarded as waived except such defenses as may be predicated solely on the fact that the vessel was not actually arrested.

This letter and the security given hereby is expressly limited to the *in rem* claims which may be asserted against the M/V ATLANTIC HOPE in the lawsuit described in paragraph 1 above and is to run only in favor Dominion Citrus Ltd., or their properly subrogated cargo underwriters, as their

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Re: M/V ATLANTIC HOPE November 1, 2006 Page -3-

interests may appear, but in no event shall the total amount exceed the sum of Three-Hundred Thousand Dollars (\$300,000.00), plus interest and costs.

It is the intent of this undertaking that your rights as plaintiff and the rights of the claimant of the M/V ATLANTIC HOPE shall be, and for all purposes shall be taken to be, precisely the same as they would have been had the vessel in fact been taken into custody by process in rem and released by the filing of a Claim of Owners and release bond. All other objections and defenses otherwise available to the owners, operators, managers, charterers and/or those responsible for the operation, management and utilization of the vessel, except such that might be predicated solely upon the fact that the vessel was not actually so seized, are, however, reserved.

The amount of this Letter of Undertaking may be subsequently decreased by agreement of the parties following the completion of surveys/loss demonstrations or upon application to the Court having jurisdiction, but in no event shall the amount ever exceed the sum of Three-Hundred Thousand Dollars (\$300,000.00), plus interest and costs.

It is understood and agreed that the signing of this letter by Richard Q. Whelan shall not be construed as binding on him personally, nor binding on the Law Firm of Palmer Biezup & Henderson, LLP, but is binding only upon the principal for whom they have executed this Letter of Undertaking, The Japan Ship Owners' Mutual Protection & Indemnity Association.

Very truly yours,

THE JAPAN SHIP OWNERS' MUTUAL PROTECTION & INDEMNITY ASSOCIATION

n.

Richard Q. Whelan, as Attorney-In-Fact for the above limited purpose only, as per authority received on November 1, 2006 from The Japan Ship Owners' Protection & Indemnity Association

RQW/ww

PBH: 186513.1